

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

YELLOW CORPORATION, et al.,

Debtors.

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Chapter 11

Case No. 23-11069(CTG)

**DECLARATION OF ERIC GRANT IN SUPPORT OF
MOTION OF NATIONS FUND I, LLC FOR (I) RELIEF FROM
THE AUTOMATIC STAY TO TERMINATE LEASE AND RECOVER TRAILERS;
(II) ADEQUATE PROTECTION; AND (III) ALLOWANCE AND PAYMENT OF
ADMINISTRATIVE EXPENSE CLAIM**

ERIC GRANT, of full age, being duly sworn according to law, upon his oath, deposes
and says:

1. I am the General Counsel and Chief Workout Officer for Nations Fund I, LLC
("Nations Fund"). I am authorized by Nations Fund to submit this Declaration in support of its
Motion for an order granting, among other things, relief from the automatic stay in favor of
Nations Fund to permit it to retrieve 160 Stoughton trailers that it owns and leases to debtor USF
Holland, LLC ("USF Holland") pursuant to that certain Master Lease Agreement, and
guaranteed by debtor Yellow Corporation ("Yellow") pursuant to that certain Guaranty, as
described in greater detail below.

2. Nations Fund is an equipment finance company. I am familiar with the recording
keeping and systems maintained by Nations Fund with respect to its equipment leasing and
financing operations. I have access to those systems and those systems are maintained in the
ordinary course of business of Nations Fund. As the Chief Workout Officer, I am responsible for
managing those matters where a lessee or borrower has defaulted on their obligations and/or filed

for relief under the United States Bankruptcy Code. I am familiar with the bankruptcy proceedings herein and have personal knowledge of the relationship between Nations Fund and USF Holland and Yellow Corporation (collectively, the “Debtors”).

The Master Lease Agreement and the Guaranty

3. Nations Fund and USF Holland entered into that certain Master Lease Agreement (the “Master Lease Agreement” together with the Schedules (defined below) and all other documents executed in connection with the transactions, the “Lease Documents”), on March 16, 2022 pursuant to which Nations Fund agreed to lease certain equipment to USF Holland. A true and correct copy of the Master Lease Agreement is attached hereto as **Exhibit A**.

4. Pursuant to § 10 of the Master Lease Agreement, USF Holland granted Nations Fund a first priority security interest in and lien upon all equipment leased to USF Holland notwithstanding the parties’ agreement that each Schedule constitutes a “true lease.”

5. Also on March 16, 2012, Yellow Corporation f/k/a YRC Worldwide, Inc. executed that certain Master Lease Guaranty (the “Guaranty”) in favor of Nations Fund pursuant to which it guaranteed all of the obligations of USF Holland under the Master Lease Agreement. A true and correct copy of the Guaranty is attached hereto as **Exhibit B**.

The Equipment Schedules

6. Prior to the Petition Date and in accordance with the Master Lease Agreement, USF Holland executed and delivered in favor of Nations Fund, (a) Equipment Schedule No. UHL-0007 to the Master Lease Agreement, dated January 31, 2018, for the leased equipment consisting of twenty (20) Stoughton 53’ trailers together with Rider No.1, Rider No. 2 and Rider No. 3 (“Schedule 0007”); (b) Equipment Schedule No. UHL-0008 to the Master Lease Agreement, dated January 31, 2018, for the leased equipment consisting of sixty (60) Stoughton

48' trailers together with Rider No.1, Rider No. 2 and Rider No. 3 ("Schedule 0008"); (c) Equipment Schedule No. UHL-0009 to the Master Lease Agreement, dated February 28, 2018, for the leased equipment consisting of ten (10) Stoughton 53' trailers together with Rider No.1, Rider No. 2 and Rider No. 3 ("Schedule 0009"); and (d) Equipment Schedule No. UHL-0010 to the Master Lease Agreement, dated February 28, 2018, for the leased equipment consisting seventy (70) Stoughton 48' trailers together with Rider No.1, Rider No. 2 and Rider No. 3 ("Schedule 0010"); (Schedule 0007, Schedule 0008, Schedule 0009 together with Schedule 0010, collectively, the "Equipment Schedules"). True and correct copies of Equipment Schedules 0007, 0008, 0009, and 0101 are attached hereto as **Exhibits C, D, E, and F**, respectively.

7. Each of the trailers is titled in the name of Nations Fund.

8. On May 1, 2020, USF Holland and Nations Fund entered into separate amendments with respect to each of the Equipment Schedules (the "Amendments"). True and correct copies of the Amendments are attached hereto as **Exhibit G**.

The Omnibus Amendments to the Schedules

9. On or about January 24, 2023, Nations Fund, USF Holland, and Yellow entered into that certain Omnibus Amendment of Equipment Schedules and Rider No. 1 (the "Amendment Agreement") pursuant to which the lease term was extended through February 1, 2024 and amending the monthly rent amount and stipulated loss values for each of the Schedules. A true and correct copy of the Amendment Agreement is attached hereto as **Exhibit H**.

10. On or about April 26, 2023, Nations Fund, USF Holland, and Yellow entered into that certain Second Omnibus Amendment of Equipment Schedules and Rider No. 1 (the "Second Amendment Agreement") pursuant to which the lease term was extended through February 1,

2025 and amending the monthly rent amount and stipulated loss values for each of the Schedules. A true and correct copy of the Second Amendment Agreement is attached hereto as **Exhibit I.**

11. Pursuant to the Second Amendment Agreement, the monthly rent for Schedule UHL-0007 is \$7,994.56 per month due and payable on the first day of each month.

12. Pursuant to the Second Amendment Agreement, the monthly rent for Schedule UHL-0008 is \$23,227.86 per month due and payable on the first day of each month.

13. Pursuant to the Second Amendment Agreement, the monthly rent for Schedule UHL-0009 is \$4,010.78 per month due and payable on the first day of each month.

14. Pursuant to the Second Amendment Agreement, the monthly rent for Schedule UHL-0010 is \$26,872.06 per month due and payable on the first day of each month.

15. The total monthly rent due and owing Nations Fund with respect to the Equipment Schedules is \$62,105.26.

The Debtors' Defaults

16. As of the date of this Declaration, the Debtors have failed to make timely monthly payments due under the Lease documents. USF Holland and Yellow failed to pay the lease amounts due and owing on August 1, 2023, September 1, 2023, October 1, 2023 and November 1, 2023.

17. Consequently, under the terms of the Lease Documents, Nations Fund is currently owed the approximate amount of \$248,421.04 with respect to the unpaid rent for the past four (4) months.

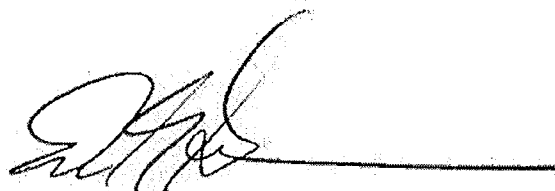
18. Due to the Debtors' failure to make lease payments, the Debtors are in default of their obligations and Nations Fund is entitled to, *inter alia*, take possession of the trailers.

19. In light of the Debtors' defaults, Nations Fund seeks approval from the Bankruptcy Court for: (i) relief from the automatic stay in order to permit Nations Fund to recover its equipment pursuant to the Lease Documents; (ii) adequate protection; and (iii) the allowance and payment of an administrative expense claim. In addition, Nations Fund seeks an order from the Court requiring the Debtors to: (a) confirm that the Debtors have adequate insurance on the equipment; (b) identify a representative of the Debtor to coordinate with Nations Fund for the delivery of the equipment; and (c) provide confirmation that the equipment remains located at the properties previously disclosed to Nations Fund.

20. Nations Fund does not consent to the sale of its equipment as part of the Debtors' proposed liquidation of assets.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the above statements are true and correct.

Dated: Wilton, Connecticut
November 15, 2023


Eric Grant